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## Indonesia to ban bitcoin from 2018 in latest Internet crackdown

By A. Azim Idris (<https://asiancorrespondent.com/author/azim-idris/>) | 12th December 2017 | @AzimIdrisHybrid  
(<https://twitter.com/AzimIdrisHybrid>)

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Social Buzz



## 33 SOCIAL BUZZ

BEGINNING next year, transactions involving bitcoin will be banned in Indonesia, an official said on Tuesday as the cryptocurrency's value zoomed above US\$13,000.

Bank Indonesia said it planned to impose a regulation prohibiting bitcoin transactions that would take effect in 2018, the *Jakarta Post* (<http://www.thejakartapost.com/news/2017/12/06/bank-indonesia-to-ban-bitcoin-transactions-next-year.html>) reported. Bank Indonesia Head of Transformation Onny Widjanarko was quoted as saying the regulation on digital currencies would be issued in the near future.

"Currently, there is no single regulation for those who carry out transactions using bitcoin," Onny said in Jakarta (via [kompas.com](http://kompas.com)).

**SEE ALSO:** [Indonesia to unblock Telegram, combat Islamic State channels](https://asiancorrespondent.com/2017/08/indonesia-unblock-telegram-combat-islamic-state-channels/#leADSQZRotBylop8.97) (<https://asiancorrespondent.com/2017/08/indonesia-unblock-telegram-combat-islamic-state-channels/#leADSQZRotBylop8.97>).

The central bank, he said, was currently carrying out a thorough study on whether the regulation should primarily involve Bitcoin while having a separate regulation on other cryptocurrencies.

Onny said the bank also urged merchants not to accept Bitcoin as a payment instrument as it would not be held responsible for any losses.





Among other reasons, Indonesia considered the ban over concerns that the digital currency could be used to fund terrorism, money laundering, prostitution and drug trafficking since bitcoin transactions did not involve intermediaries or banks.

Regardless of the ban, investors who want to buy Bitcoin and other currencies like Litecoin and Ethereum could still do so via foreign channels. The ban also means that the adoption of Bitcoin and cryptocurrencies would remain low in the Southeast Asian country.

Central banks in India and China have repeatedly warned investors against betting on bitcoin and other cryptocurrencies.

“So there’s only one thing we can do – watch it from the bank of a river,” People’s Bank of China deputy governor Pan Gongsheng said, as quoted by *Quartz* (<https://qz.com/1148052/beware-of-bitcoin-the-reserve-bank-of-india-warns-again/>).

***“One day you’ll see bitcoin’s dead body float away in front of you.”***

Regardless of the warning of an impending bubble, the value of bitcoin continues to rise.

On Wednesday, Bitcoin briefly soared nearly three percent to a new record high of US\$14,047.40, continuing its surge from below US\$1,000 at the beginning of the year, despite questions about the cryptocurrency’s real value and worries about a dangerous bubble.



Attendees of the Inside Bitcoins conference in Berlin examine bitcoin buttons. Source: AP

Think Markets analyst Naeem Aslam said bitcoin prices had been affected by reports that Britain wanted to increase regulation of bitcoin and other digital currencies by expanding the reach of European Union anti-money-laundering rules that force traders to disclose their identities and report suspicious activity.

**SEE ALSO: [Pornographic gifs see Indonesian govt threaten to block WhatsApp](https://asiancorrespondent.com/2017/11/pornographic-gifs-see-indonesian-govt-threaten-to-block-whatsapp/#5MLyYySmqXmRHhT6.99)**  
(<https://asiancorrespondent.com/2017/11/pornographic-gifs-see-indonesian-authorities-threaten-to-block-whatsapp/#5MLyYySmqXmRHhT6.99>).

But others said greater regulatory scrutiny would help.

“If anything, regulation will only increase bitcoin’s rate of growth as regulation lends credibility and engenders trust,” London-based cryptocurrency firm CommerceBlock CEO Nicholas Gregory said.

Sunday’s record high for bitcoin came as Venezuela’s President Nicolas Maduro announced the launch of the “petro”, which he said would be a cryptocurrency backed by oil reserves, to shore up a collapsed economy.

Opposition leaders said the digital currency would need congressional approval and some cast doubt on whether it would ever see the light of day in the midst of turmoil.

*This article was originally published on our sister site [Tech Wire Asia](http://techwireasia.com/2017/12/indonesia-latest-country-ban-bitcoin/)*  
(<http://techwireasia.com/2017/12/indonesia-latest-country-ban-bitcoin/>).

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Better. Bitcoin was not that expensive the last time when you exchange it to dollar and now the value suddenly climbed at an unimaginable amount when you change it to dollar. And what if it will suddenly back to its value the last time when you already saved a huge amount? Hmmm.

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I know a bubble when I see one. Good move.

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How can he ban it..?!! 555.

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**MALAYSIA**

Q Sentral, Jalan Stesen Sentral  
Level 19, 13A  
Kuala Lumpur, 50470.

+60 327 123 150  
SDN. BHD - 995605 P

**AUSTRALIA**

21 Market Street  
Level 20, Suite 3  
Sydney, NSW 2000.

+61 280 764 120  
ABN: 14 600 565 802

**UNITED KINGDOM**

Colston Tower  
Level 9, Colston Street  
Bristol, BS1 4UX.

+44 117 244 3750  
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